

## **Letter of Agreement**

March 29, 2013

**Prof. Dr. Saleh El-Din Sultan**

**Secretary General Supreme Council for Islamic Affairs**

**And Advisor to Awqaf Ministry of Egypt**

**9 Alnabatat Street, Garden City, Cairo**

Dear Prof. Dr. Saleh El-Din: As salamu alaikum.

This letter will record an agreement to cooperate, effective as of first signature below, between the **Supreme Council for Islamic Affairs and the Awqaf Ministry of Egypt, with advisory office at 9 Alnabatat Street, Garden City, Cairo** (Tel: +20.279.41776, 279.48859/Fax: +202.279.58662, E-mail: [salahsultan@gmail.com](mailto:salahsultan@gmail.com), Islamic\_council\_eg@yahoo.com ) represented by its Secretary General and Advisor Prof. Dr. Saleh El-Din Sultan

(hereinafter referred to as “**SCIA and MoA, or collectively as Islamic Council**” )

**AND**

**Khidr Solutions Consultancy FZCO, located at Box 341314, Dubai Silicon Oasis, Dubai, UAE**, represented by Dr. Omar Fisher, at +971.566927775  
(hereinafter referred to as “**KHIDR**” )

- A. WHEREAS “ISLAMIC COUNCIL” expresses an intent to explore development and issuance of a various types of Awqaf financing tools including an Awqaf Sukuk (the Sukuk”) in order to support the purchase of productive assets which will accelerate the development of Egypt’s economy and also provide a safe, secure and attractive form of investments for Awqaf consistent with the goals and objectives of the Awqaf charitable mission. Among the Projects to be developed that will require financing are: deployment of ships with mobile desalination plants to manufacture fresh water, deployment of renewable energy alternatives such as bio-mass (trash) conversion to electricity and fresh water, construction of affordable public housing using energy efficient building technologies for new communities and to relieve the over-crowding of people in certain urban

communities across Egypt. In addition, the Islamic Council desires to build up a public awareness of Awqaf and to encourage its revival (the "Projects").

- B. WHEREAS the "KHIDR" has experience with Islamic financing and is knowledgeable about the functioning of Awqaf, and in cooperation with Dr. Hisham Dafterdar and other experts, is expressing interest to collaborate with ISLAMIC COUNCIL in arrangement of financing for the Projects, including development and issuance of an innovative Awqaf Sukuk.

**Therefore ISLAMIC COUNCIL and KHIDR agree their roles as follows:**

1. KHIDR shall take the lead with Dr. Hisham and other experts to build relations with Islamic banks and financial institutions (the "Banking Partners") that are willing to facilitate the development and issuance of the Awqaf Sukuk, and other approved forms of Shariah compliant financings in support of the Projects.
2. KHIDR, in coordination with ISLAMIC COUNCIL, shall gather the necessary financial and other supporting documents required by the Banking partner to develop the innovative Awqaf instrument, the Prospectus and related offering documents and preparation for its issuance. The Banking Partners shall take primary responsibility under the supervision of ISLAMIC COUNCIL for the legal, technical and Shariah compliance of the Awqaf Sukuk to assure that its issuance shall be acceptable under the new Egyptian regulations for Islamic finance/sukuk and to intended potential investors.
3. KHIDR shall work closely with ISLAMIC COUNCIL as its financing advisor to provide advice and assistance in the process of development, addressing Shariah issues as they arise and proposing a marketing strategy for the placement of the Sukuk. It is agreed that the Banking Partner(s) shall be appointed as the Placement Agent and Bookrunners in this transaction.
4. Together the Parties shall organize seminars or workshops to describe the Awqaf Sukuk and its benefits prior to the launch of the financing instrument. As well the Parties will promote the features and benefits of Awqaf to build up public awareness.
5. The advisory fees charged as between the two parties for this cooperation, will be mutually agreed in writing and shall be payable upon the closure of the financing, or earlier as may be agreed. All out-of-pocket expenses of this undertaking shall be for the account of ISLAMIC COUNCIL, to be reimbursed to KHIDR against receipts.

It is understood that neither ISLAMIC COUNCIL nor KHIDR is under any obligation to accept an invitation to engage any Banking Partner as described under this alliance, nor to accept the offered terms and conditions of any specific financing offer, yet both parties agree that such joint cooperation will help to encourage and promote the development and issuance of a Awqaf Sukuk in the first half of 2014, and other Islamic financing tools as may be required earlier in support of the Projects.

## CONFIDENTIAL INFORMATION

In consideration of the Parties' making available Confidential Information to each other, and as a condition to such disclosure, the Parties agree to the following terms and conditions as specified below which shall be effective from the Effective Date.

- 1) In this Agreement, the term "Confidential Information" means all commercially sensitive information which is not readily available in the normal course of business. Confidential Information includes not only written information marked as confidential but also information related to the client assignments that may be transferred orally, visually, electronically or by any other means. Information will not be considered Confidential Information if the Receiving Party can prove that
  - (a) it already lawfully possesses the information,
  - (b) the information is being lawfully made available to the Receiving Party by a third party that is under no obligation of confidentiality to the Disclosing Party,
  - (c) it developed the information independently,
  - (d) the information is or becomes publicly available other than as a result of any action of the Receiving Party.
- 2) The Parties shall keep Confidential Information secret and confidential and shall not disclose it to any person except, on a need-to-know basis, to a limited group of their own, and their affiliates, directors, officers or employees, outside professional advisors, auditors. Each party assures that everybody to whom Confidential Information is being disclosed or made accessible according to the stipulations above is contractually and/or legally bound to hold such information in strict confidence.
  - (a) The Receiving Party may forward Confidential Information where disclosure has to be made as a result of subpoena, requirement or official request from any competent judicial, administrative, legislative or regulatory authority or body. In this case the Receiving Party shall as far as reasonably possible provide the Disclosing Party with prior notice – otherwise without undue delay – so that the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement.
  - (b) The Parties agree that, if this agreement is terminated for any reason, they will, upon the other party's written request and unless required otherwise by any applicable law, regulation, subpoena, requirement or official request from any competent judicial, administrative, legislative or regulatory authority or body, immediately return or, at the direction of the Receiving Party, destroy all tangible documents and any copies and extracts made thereof and, to the extent feasible with reasonable effort, delete all electronically saved confidential information.

## **LIMITATION OF SERVICES**

This Agreement relates solely to KHIDR's Islamic financing advisory services as an independent contractor and advisor whereby KHIDR is collaborating with ISLAMIC COUNCIL to achieve its stated objective as described above. It is understood that KHIDR is not an agent of ISLAMIC COUNCIL and shall not contract nor negotiate on its behalf.

This Agreement shall be governed by and construed in accordance with the laws of Republic of Egypt.

The Agreement is valid for an initial term of 24 months and may be extended by mutual agreement in writing. Within the first 24 months, either Party can terminate the agreement by giving 3 months written notice.

Prof. Dr. Saleh, kindly acknowledge your acceptance of this agreement by a signature below, which shall be the Effective Date. We look forward to a fruitful and enduring relationship with ISLAMIC COUNCIL in furtherance of Awqaf financing and the revival of Awqaf activities.

Yours respectfully,

Dr. Omar Fisher

**Supreme Council for Islamic Affairs, and Advisor to Ministry of Awqaf Egypt**

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By Dr. SALEH EL-DIN SULTAN

Title

Date: \_\_\_\_\_

**KHIDR SOLUTIONS CONSULTANCY FZCO**

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By DR. OMAR CLARK FISHER

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Date: \_\_\_\_\_